

Senate Bill 2080 Update

Audit & Finance Committee
September 9, 2009

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Chief Financial Officer

Impact to District's Debt Service Policy

- During the 41st Session of the Legislature of Florida 2009, Governor Charlie Crist signed into law Senate Bill 2080
- Senate Bill 2080 contains a comprehensive package of provisions related to the water management districts and the conservation of water resources
- Revenue Bonds were addressed as follows:

Water Management Districts may not exceed debt service of 20% of the annual ad valorem tax revenue for debt issued after January 2009. In order to issue debt above the 20% requires approval by the Joint Legislative Budget Commission.

Impact to District's Debt Service Policy

- District's Debt policy states that debt service shall not exceed 30% of revenues legally available to the District to pay debt service, including, but not limited to, the available ad-valorem revenues, related interest income thereon and permit fee revenue.
- District 2006 COPs are not included as a part of the debt subject to the SB 2080 20% debt cap.

Impact to District's Debt Service Policy

- District 2006 COPs represents less than 10% of revenues
- The District fully intends to issue all future debt in compliance with the restrictions of SB 2080. District debt service of 2006 and future debt would be in compliance with the District's 30% debt cap.
- Recommendation: No changes are necessary to District debt policy resulting from restrictions in SB 2080.